



City of Austin

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Neighborhood Housing and Community Development Office

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Date: June 7, 2006
To: Mayor Will Wynn and City Council Members
From: Paul Hilgers, Director *Paul Hilgers*
Neighborhood Housing and Community Development
Subject: Affordability Impact Statement - Residential Design Commission Ordinance

This Affordability Impact Statement is for the June 2, 2006 draft of the proposed ordinance that would create the Residential Design Commission and modify residential design standards in certain neighborhood planning areas. This statement also includes the June 6, 2006 recommendations from the Task Force and from Planning Commission and replaces all previous assessments.

The primary affordability impact identified by NHCD staff is the potential cost of demonstrating compliance with the new regulations for single-family residences. The Task Force has discussed the importance of establishing an implementation strategy that takes into account the cost of demonstrating compliance with the ordinance. NHCD supports this concept and looks forward to continuing to be engaged in implementation discussions.

However, the proposed draft ordinance should have minimal impact to housing affordability with the following considerations:

1. Allowing for an alternate method of demonstrating compliance for all housing that is 32 feet in height or less and 2300 square feet of gross floor area or less. This would include expedited review for S.M.A.R.T. Housing™ developments.
2. As long as the proposed ordinance applies the new single-family standards only to the Urban Core neighborhoods approved at the June 2nd Task Force Meeting.

These suggestions are discussed in greater detail below.

1. Alternate Method of Compliance

If the ordinance can be implemented in a way that allows builders of smaller homes to spend approximately the same amount of money for plan preparation as they are currently spending, then the proposed ordinance will not have a significant impact on housing affordability.

NHCD recommends implementing building permit submittal requirements that do not significantly increase the cost of preparing and submitting plans. We recommend an alternate method of demonstrating compliance for all housing that is 32 feet in height or

less and 2300 square feet of gross floor area or less. This would include an implementation strategy for building permits, inspections and continuing the expedited review for S.M.A.R.T. Housing™ developments. NHCD staff will work with WPDR staff on this process.

2. Limit Ordinance to the Urban Core

The proposed ordinance is more applicable to infill development that may occur in existing, older neighborhoods. The majority of S.M.A.R.T. Housing™ subdivisions are located in newly annexed areas. These new subdivisions are usually adjacent to SF-2 zoned property which is commonly assigned to newly annexed areas. If the ordinance is expanded outside the Urban Core, these subdivisions would be impacted unnecessarily. The single-family subdivisions in these areas are actually creating new neighborhoods and not infiltrating older established areas. I am attaching a map that provides a context for our assessment.

3. Setback Averaging

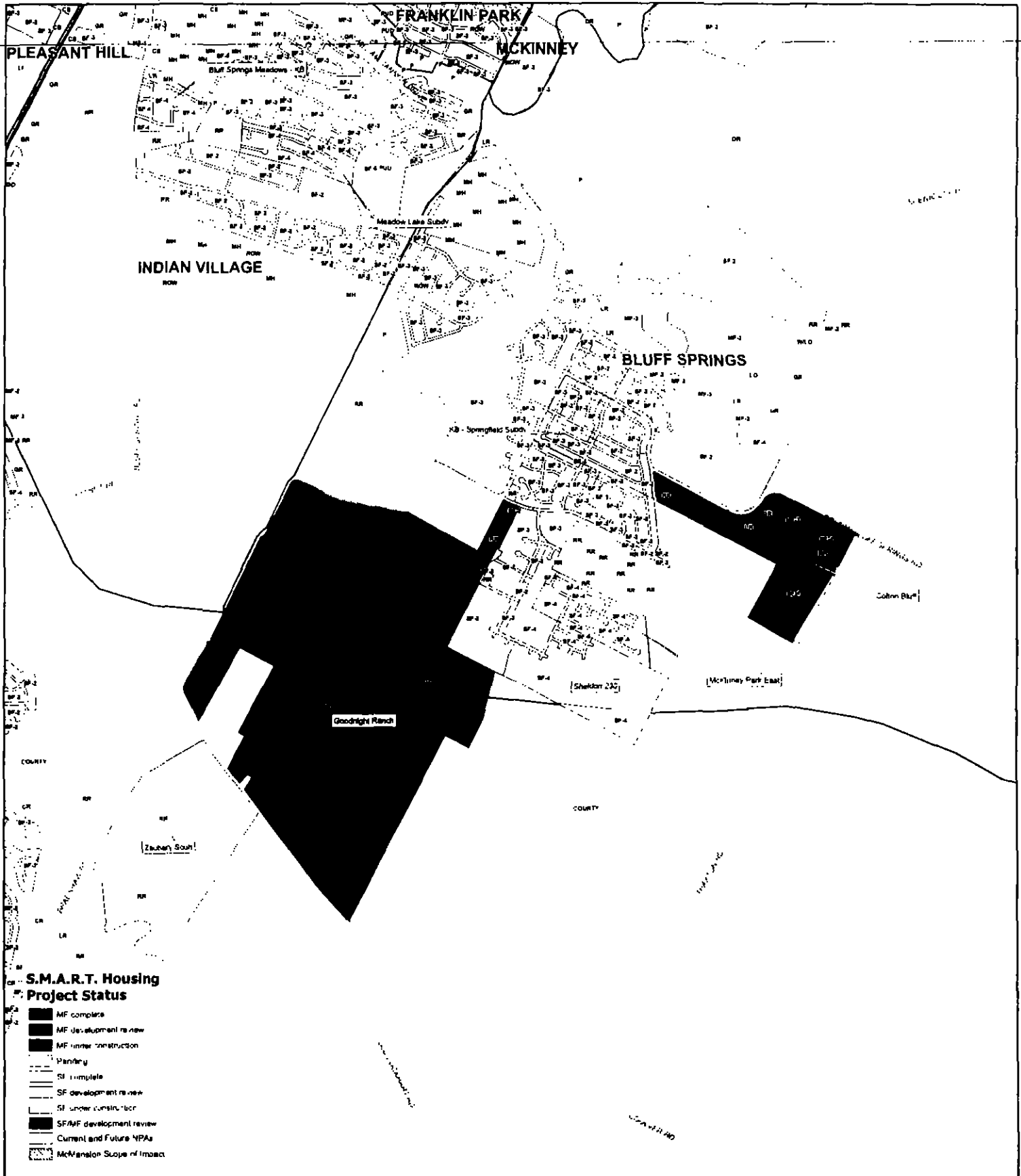
The June 2nd Task Force recommended a code amendment for setback averaging that will increase the flexibility in how averaging is determined. We support the adoption of the Task Force recommendations.

This is our latest assessment based on recommendations currently available. Further Task Force actions may require further refinements of our Affordability Impact Statement.

In summary, the proposed ordinance creating the Residential Design Commission and modifying residential design standards could be implemented with minimal impact on housing affordability with the above considerations. .

Please contact Paul Hülgers at 974-3108 if you need additional information.

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S.M.A.R.T. Housing Certified Single Family Developments in Southeast Austin Current and Future Neighborhood Planning Areas

